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States Assembly



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Assemblée des États

Economic and International Affairs Scrutiny Panel

Budget 2027-2030 Review

Witness: The Minister for External Relations

Wednesday, 18th November 2026

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Panel:

Deputy S.J. Gleave of St. Helier South (Chair)
Deputy C.J. Rebindaine of St. Mary, St. Ouen and St. Peter (Vice-Chair)
Deputy C.D. Leck of St. Saviour
Deputy G.A. Raimondo of St. Brelade
Connétable R.D. Johnson of St. Mary

Witnesses:

Senator I.J. Gorst, The Minister for External Relations
Ms. K. Nutt, Chief Officer, Department for External Relations and Financial Services
Ms. C. O'Brien, Deputy Comptroller, Revenue Jersey
Ms. H. De La Cour, Director, Financial Services and Financial Crime

[15:00]

Deputy S.J. Gleave of St. Helier South (Chair):

Welcome, everyone, to this Budget Hearing with the Minister for External Relations and thank you very much to all of you for attending. The aims for this hearing are very much to question you on topics relating to the Budget. We have obviously already had our Quarterly Hearing with you. Can I just remind everyone to turn their phones off or on silent, please? A reminder to everyone that this

session is being streamed online, it is being recorded, and a transcript will be available so for anyone who is listening. Just before we do introductions does anyone have any declarations of interest that they need to declare? Okay, so just for the sake of the people who are watching online could we just do introductions? My name is Deputy Samantha Gleave and I am Chair of this panel.

Deputy C.J. Rebindaine of St. Mary, St. Ouen and St. Peter (Vice-Chair):
I am Deputy Chris Rebindaine representing St. Mary, St. Ouen and St. Peter and Vice-Chair of the panel.

Deputy C.D. Leck of St. Saviour:
Chris Leck, member of the panel and Deputy for St. Saviour.

Deputy G.A. Raimondo of St. Brelade:
I am Gabriel Raimondo. I am Deputy for St. Brelade.

Connétable R.D. Johnson of St. Mary:
David Johnson, Constable of St. Mary, panel member.

The Minister for External Relations:
Ian Gorst, Minister for External Relations and Financial Services and today I am joined by ...

Chief Officer, Department for External Relations and Financial Services:
Kate Nutt, Chief Officer, Department for External Relations and Financial Services.

Deputy Comptroller, Revenue Jersey:
Cora O'Brien, Deputy Comptroller, Revenue Jersey.

Director, Financial Services and Financial Crime:
Helen De La Cour, Director, Financial Services and Financial Crime.

Deputy S.J. Gleave:
Getting straight to it, Senator Gorst, in terms of the Budget are you able to provide this panel with a brief outline of the implications for your department and your overall view of it? Is it meeting your requirements?

The Minister for External Relations:
As the Minister for Treasury and Resources has said overall the Budget is an interim Budget bridging to the point of the 3-year Budget and I know we had some discussion in the States about that last

week. What that means in effect for my departmental budget is that it will increase by the amount of the pay awards from last year, so that is money coming in, then it decreases by the amount of saving that I am expected to deliver in 2027 so that is about £100,000 saving. It broadly allows us to do what we want to do. Outside of the departmental budget which for 2027 will stand at £15,791,000 is money allocated in reserves for the overall Time to Win programme where we cannot run it from within our budget.

Deputy S.J. Gleave:

Okay, fine. In terms of the next year's Budget, which I appreciate is the 2026 Budget more or less with inflation, was there much discussion from your point of view of: "I need to change stuff" or was it a relatively passive exercise because it was just a 2026 Budget with inflation?

The Minister for External Relations:

The overall budgeting process was that there were not growth bids called for as there has been in the past. That does not mean to say that some departments felt that there were monies that they needed to deal with high risk areas and if I look back and think about all those conversations really the focus was on that. I did not put any bids into this Budget because there was not the ability to put bids in. If I look at how the officers have managed the Budget in 2026 I think they have managed it incredibly well. We have been able to do broadly all of the things that we have needed to do and so I am satisfied that this Budget can deliver what we need in 2027 because more broadly if I am a Minister that supports fiscal responsibility and constraint I have to show that I can live within my budget, I can make the savings and contribute overall to that fiscal constraint.

Deputy S.J. Gleave:

Okay, so following up on that in terms of making sure you are delivering against that fiscal constraint and you are making savings, how do you feel you can make savings? There has been a lot of talk about being a Government but from your department specifically do you see your department having a part of that and, if so, how?

The Minister for External Relations:

One of the parts of the Budget was an allocation of savings across the government, I think it was £10 million, so we are taking our share of that, so that was looking at administrative and governance roles and saying that we can deduplicate and allocating that saving in proportion to the amount of roles that departments had that filled that basic criteria. When you get to departments like mine, which are relatively small of course, it becomes more difficult because you might just have one person in the F.S. (financial services) bit and one person in the E.R. (External Relations) bit having to manage all of those things so what we in effect do is say, okay, we will take our saving and we might slightly divide it up differently but we will deliver that saving.

Deputy S.J. Gleave:

Okay. You have said that you did not put in a growth bid because you knew you could not.

The Minister for External Relations:

I supported no growth bids being made, yes.

Deputy S.J. Gleave:

Which is very admirable.

The Minister for External Relations:

Well, it is the only way we are going to deliver a balanced budget but anyway.

Deputy S.J. Gleave:

I agree. To what extent do you believe that the proposed budget delivers against the C.S.P. (Common Strategic Policy) priority of securing Jersey's competitive edge in the financial and related professional services?

The Minister for External Relations:

I think we have shown in the previous 2 years where we have been able to pay for McKinsey within our existing budget. We have been able to recruit a local law and advisory firm within our existing budget and that is very much the approach that we have taken rather than ramping up our own headcount, and we have had to manage some vacancies in other bits of the department not least of which is the F.R.U. (Fiscal Resource Unit). We have then used that money for the things that we think are priorities and that is basically how we think about our departmental budget. If you occupy all your roles then you have little flexibility. If you manage your recruitment roles then you do have flexibility to do the things that you want to do. That is what we have done for the last 2 years. It is what we will do in 2027 and we know that when pressure comes most of the spend from the Pillar 2 monies allocated has been spent by tax and that is right because that has been implementing the Pillar 2 system. That will change over time.

Deputy S.J. Gleave:

Following up on that point about consultants and the use of McKinsey I agree, I think if you have got a small team it is better to use external consultants. I know that there is a lot of talk about not using consultants to reduce costs but they can be used to save money rather than recruiting permanent members of staff. In terms of who you use do you think there is sometimes an argument to say using the brand names, such as McKinsey, that there is going forward a role to be played of using some maybe local consultants or lower cost consultants rather than brand names?

The Minister for External Relations:

We in our Time to Win work basically did both. We used local firms and we used the big name. The big name is important because the big name gets us access in board rooms across the globe with their contacts. Often with the big name, the benefit is those contacts and what they are thinking. It is not necessarily the end product. It really is people thinking about Jersey across the globe and that is what those big names bring. It is right to do that. We have used them in the past, but we should not be in any doubt that their skill set is not the local context necessarily. It is how we are perceived globally and what then we can do about that with those big brands and it costs a lot of money so you do it sparingly. As we say we kept on the local firm to help with the implementation as well. That has now come to an end. We have got 2 other pieces of work going on, both being undertaken by law firms that by very nature, and it was local lawyers that recommended in both instances that we go to these U.K. (United Kingdom) law firms, one is looking at insurance and the other is doing a review of the statute book for digital assets. It is always a balance.

Deputy S.J. Gleave:

That is needing the expertise that is not available here?

The Minister for External Relations:

That is needing the expertise. It is not the big brand.

Deputy S.J. Gleave:

Given that I do love a K.P.I. (Key Performance Indicator) but if we are looking at how we measure success for the spend that we are putting in what measurements have you put in place to measure the performance of the department?

The Minister for External Relations:

I am not so keen on K.P.I.s. They have a place, of course. What often worries me is that we focus too much on delivering a K.P.I. I do not know if you have received the business plan yet. If not, it is on its way to you slightly quicker than I intimated earlier this week it would be because it is now complete. In there we have got a list of some of the K.P.I.s that we will be following from positive news stories to the number of completed Time to Win actions in the action plan and the status of them, completion of that digital asset statute book review and then the implementation of the actions coming out of it, a number of international agreements, as I say a number of positive international and local media coverage where we have been supporting Jersey, a number of meaningful interactions with key decision-makers, a number of positions of influence that we have got, whether that is in the O.E.C.D. (Organisation for Economic Co-operation and Development) or C.W.E.I.C. (Commonwealth Enterprise and Investment Council), Commonwealth stuff. There have been a

number of meaningful interactions with stakeholders, so decision-makers, Ministers, parliamentarians, whether that is in London or further afield. There have been a number of high impact ministerial trade delegations with this Government, J.F.L. (Jersey Finance Limited) and the regulator so it is all of those sorts of things. You can see how sometimes you can focus on the K.P.I.s and miss the bigger picture because the bigger picture is about confidence in Jersey across industry and winning business and it is not me in Government that wins the business. It is the individual firms that win the business so the K.P.I.s that the regulator will be using I also think are a really important overlay. Are we seeing more companies being set up in Jersey? Are we seeing more J.P.F.s (Jersey Private Funds) being set up in Jersey? It is all of those things as well which I think are a better indicator.

Deputy S.J. Gleave:
So it will be results. It is what we see in terms of real growth.

The Minister for External Relations:
That is right and that is a better indicator also than just the G.V.A. (Gross Value Added) number because as we know the G.V.A. number fluctuates because of U.K. interest rates and capital flows. Important because again people look at that overall G.V.A. number and think: "Oh, we are either doing well or we are not doing well" but it is looking at the underlying business benefits that are being brought.

[15:15]

Deputy S.J. Gleave:
Okay. Obviously, we are going to have to look at the strategy for the 3-year Budget before we all debate it in the Assembly, so have you looked ahead at that in terms of what you would then be looking for in that 3-year Budget beyond the next year?

The Minister for External Relations:
No. We have not directly. I suppose we probably find ourselves in a reasonable position because of the recognition of the need to deliver economic growth so our budget, as you will see in this Budget for the following 3 years, is flat but that will go up by the inflation pay award amounts for staff but I also expect to have to take my share of savings along the way but again we will then rely on the money in reserve from Pillar 2 to deliver Time to Win. I think it is a fair strategy but you might not. We have got the departmental budget which will fluctuate in line with how we are delivering savings across government but we have got to the side that reserve budget to deliver Time to Win which cannot suffer because of anything else we might be doing in savings or balancing budgets across government.

Deputy S.J. Gleave:

Given the need to make sure we grow the economy not just for the finance industry but across the board and the rather limited budget that your colleague has been given in the Economic Department at the last Quarterly Hearing you talked about the importance of maintaining the Heathrow link and that if necessary the Government should look at maybe subsidising that. Minister, is that something that you would be prepared to fund from the Time to Win budget? I appreciate that this is commercially sensitive so you may not be able to give us figures but just the general principle of where that pot sits and who funds that.

The Minister for External Relations:

Yes. Part of the action plan from Time to Win was about investment in local infrastructure and one of those themes was connectivity. We know that connectivity is incredibly important. You questioned me about this at the Quarterly Hearing previously and I am always surprised by the media but I was particularly surprised that what I thought was perfectly logical and sensible became the news story. I stand by what I said when you asked me about it in the Quarterly Hearing. What I will propose or what I have proposed to the Minister for Economic Development, who has the day-to-day relationship with the ports, is that once those negotiations are complete and they are near complete then I will transfer money from the Time to Win reserve pot to his department and he will then allocate that in the normal way that he does for route development. While I will not be talking about the amounts publicly and the individual airlines publicly because that is commercially sensitive, I am absolutely clear that the aims of Time to Win are I suppose you could say 3-fold. Overall general connectivity to the U.K. for business; keeping the connectivity with Heathrow and maintaining a strong B.A. (British Airways) presence. In those negotiations I know that those overall aims are being pursued and once that is complete then we will arrange for transfer of funds.

Deputy S.J. Gleave:

Thank you very much. Over to you, Chris.

Deputy C.J. Rebindaine:

Minister, obviously the Time to Win strategy is a key focus of the C.S.P. and the objectives for the next 4 years. Can you tell the panel are there any areas within the Time to Win programme that do not have funding?

The Minister for External Relations:

That is a good question because I suppose in practice I could say none of them have funding directly allocated in the way that this Budget is allocating to departments but I think that every action plan has confined funding firstly from the department and secondly from the reserves, so we know in

regard to the Pillar 2 implementation plan and the tech that they are using the amount of money that was expected to be needed in 2026 has reduced but they will spend that money in 2027. There will be money there. It is just the profile of it really. Likewise with the work on digital assets, the money to pay for the law firm that is doing that will come from everyday budget and we know that. That is allocated. Then we will have to think about what legal changes are required. That will come from everyday budget as well but then you have got other things around the e.K.Y.C. (electronic Know Your Customer). The easy bit is probably the work that we are being supported with and then it will be thinking about what the cost is to deliver the authorisation or certification scheme. That will come from the Time to Win reserves but it will not be linear and we do not know as we sit here what the overall cost of each individual line will be but from the rough look at those numbers then if we bring the everyday budget and the money in reserves together we feel pretty confident that we will cover all of the lines.

Deputy C.J. Rebindaine:
So as we sit here today there is no strand of Time to Win that you are concerned is constrained by funding?

The Minister for External Relations:
Not as we sit here today but that could change. It could be that other issues come out of the woodwork as we are doing this programme that may need us to go back and think that we could do with a bigger allocation from the Time to Win, from the Pillar 2 money, but as we sit here there is no strand that we think cannot be funded.

Deputy C.J. Rebindaine:
Did you want to say something?

Chief Officer, Department for External Relations and Financial Services:
No, I agree with the Minister. To follow on from that some of the projects, the 66-odd projects, are being delivered as part of the programme and we do not have defined plans for every single project as yet and some of those business cases are still in development. As the Minister was saying we do not have absolute clarity on exactly what is required in terms of funding for every line item in the programme but I absolutely concur that I think a combination of the reserve and what we have within the departmental budget should be enough as we sit here today to do what we think needs doing.

Deputy C.J. Rebindaine:
In terms of Time to Win everyone is keen that it happens now or yesterday. Are there elements to which we now have milestones and deliverables that are tangible which will show economic benefits to the Island's financial services sector soon and if so what can we hang our hat on?

The Minister for External Relations:

Yes, there basically are and we already know that some of those numbers of company registrations, funds being registered, are already seeing an increase. That does not mean to say that we can stop and be complacent. That is my biggest concern, that we start to see an increase, as we have, and people think: "Oh, well." We have to keep going with this programme. As you know we have had the tracker but that tracker is being converted into a proper programme management regime where there will be those timescales.

Chief Officer, Department for External Relations and Financial Services:

We do. There are not defined milestones for everything as I said because some of the projects are still in development but there is a good chunk of work that has already been completed in Helen De La Cour's area in terms of legislative reform and guidance update and we do have milestones for other big areas, for example, the concierge service that we are working with J.F.L. on as our delivery partner. They are planning to have that concierge light up and running in Q.1 next year. We could go down the list. Some areas do have deliverables into 2027 and some are going to stretch a bit further and we are working with the partners where we are not in the lead ourselves to define those now. You are right, there is an absolute sense of urgency around the whole of the programme and we are alive to that.

Deputy C.J. Rebindaine:

Given the amounts of money are large for us to be investing in the whole Time to Win programme do we have success measures that we have established in our heads which we will use to determine whether this investment is getting value for money and improving our competitiveness?

The Minister for External Relations:

It comes back to the point I was making about basically seeing real-terms growth in the company register, in funds, in family offices. We are looking for real-terms growth so as you know the Minister for Economic Development has talked about him aiming for real-terms growth in G.D.P. (Gross Domestic Product). I can understand why he is saying that but because of the nature of banking I think we should be looking at real-terms growth in the number of companies and those sorts of things. The days of real-terms growth in jobs, it may happen in the short term because we know that companies are still looking to recruit and struggling to recruit but I do not think that is a medium or long-term measure of whether we are being successful or not because of all the reasons that we know.

Deputy C.J. Rebindaine:

Thank you. In your letter of 5th November you have confirmed that £31 million is available for the implementation of Time to Win. Can you explain to us how the figure of £31 million was calculated?

The Minister for External Relations:

I can admit that it was not very scientific. It was basically we across government at the time fought for as much of that as we could basically get. This was of course the base case scenario which has itself fluctuated so our bit was I suppose seen by some as we need to fund the borrowing on the hospital so we have got to pay the coupon, basically, and they had some sort of immediate challenges and we were left with the remainder. So as the base case fluctuated so the amount that we have got in reserves fluctuated. That of course has now settled because we are into the implementation of Pillar 2 so it was basically us thinking around the table with the Council of Ministers, this was the previous Government, rather than the current one, that is as much as we can secure and maintain. We were fighting against everybody else's desire to spend that money as well. It was not scientific.

Deputy C.J. Rebindaine:

What action will you take to ensure the £31 million is spent specifically on supporting Jersey's economy and not putting that money to use where it would otherwise have to be found from other revenue streams so that you are not substituting existing commitments?

The Minister for External Relations:

That is a good question because that pressure, I think, may ultimately ... I am highly aware that that pressure could come again in future years as we get to the 3-year plan because it is an easy thing to say: "Well, we should spend it on this social programme rather than delivering economic growth" because of all the uncertainties that we have said about how to measure economic growth and that is why it is important that we continue to work on those K.P.I.s. I think that now it is in reserves and the process to deliver that is a business plan aligned with Time to Win and then the review by Treasury that really helps secure it in reserves. Treasury have said that the money not spent in 2026 remains in reserves as well, so it does not just go off to deal with end of year pressures and that gives me hope that while there will still be challenge we will be able to see those challenges off.

[15:30]

Deputy C.J. Rebindaine:

Given one of the specific things quoted is building I.F.C. 2 (International Finance Centre Building 2) but that is a construction project is the £31 million ringfenced away from having to commit to that building?

The Minister for External Relations:

Yes, it is. When we were first looking at I.F.C. 2 we know that there is a requirement for a certain amount of pre-let before S.o.J.D.C. (States of Jersey Development Company) can build their buildings. We could argue about whether that is risk management or a risk heightening mechanism. I have a particular view there. We did speak to S.o.J.D.C. to see what they needed to get to that pre-let level. It was apparent in those early conversations that we are virtually there. I have checked before coming today because I suspected you might ask me about this. I understand from Treasury colleagues that the heads of terms for that building will be signed by the end of the year, which will then mean they can start construction next year, without losing any time to earn money.

Deputy C.J. Rebindaine:

Okay, thank you.

Deputy C.D. Leck:

In terms of the £31 million, who is going to be deciding what projects are going to receive funding? What criteria will you use and what governance procedures are going to be in place?

The Minister for External Relations:

It will be as in the department that does that. As you know, my Assistant Minister is the Minister for Treasury and Resources and the Minister for Social Security and the Minister for International Development - and we have got nearly more Ministers than staff but not quite - we will agree that in department but, more importantly, it will have the normal Treasury governance process overlay.

Deputy C.D. Leck:

All right, okay. Thank you.

The Minister for External Relations:

Did you want to say something?

Chief Officer, Department for External Relations and Financial Services:

No, I mean that is right. Every project will need a business case. I am the A.O. (Accountable Officer) overall for it, so we will Q.A. (questions and answers) the business case and then it will go through normal procedures of Treasury.

Deputy C.D. Leck:

Right. You cannot dispense £81 million because you have got £31 million as it were.

Chief Officer, Department for External Relations and Financial Services:

No, that is a no.

The Minister for External Relations:
No.

Deputy C.D. Leck:
Okay. Back to your letter and you identify 5 priority themes for Time to Win, I just wonder which initiatives do you expect to deliver the quickest economic impact and which are likely to take longer. Who is responsible for each of those initiatives?

The Minister for External Relations:
Basically the department is responsible for delivering all of those initiatives and Kate is the head of that department. She is the Accountable Officer; she will be responsible for all those things about making sure money is spent appropriately. But that we are managing the projects and they are being delivered. Then they are divided up between Helen on the one hand and Tom Le Feuvre - he sends his apologies; he is in another part of this building today - and they will be responsible for ensuring that they are delivered. As with any project of this magnitude where you have got, in effect, 60 work strands, they will move around a bit. You might set off thinking this one is going to be straightforward and needs to deliver but sometimes, as you know, they can fluctuate up and down about which one finishes first. Some of them, which are more cultural, will flow throughout this process and sometimes we will think we are making progress, other times we will think we are not sure we have made that much progress at all. We will need to keep focusing on those as well. I think one of the most important ones is this renewing our appetite for growth idea and that is a cultural one. But that requires movement to be being made on all of the strands. Probably looking to where we are today, it requires more communication around what we are doing as well. I think you made this point last time, Chair, at the quarterly hearing.

Deputy S.J. Gleave:
Yes.

The Minister for External Relations:
I do not know if you want to say anything about that.

Chief Officer, Department for External Relations and Financial Services:
Just I guess a point of clarity, the 5 priorities are thematic. What you will see from the programme documentation is that the project lines, the activity lines are divided up under each of those themes. As a department, we are not responsible, though I am A.O. for the programme is that overall we have a number of delivery partners. J.F.L., J.F.S.C. (Jersey Financial Services Commission), Digital

Jersey, they will have their own governance processes and procedures in place for the money that is given to them to deliver Time to Win projects. There is a level of responsibility there to make sure obviously that they are spent in the right way. In terms of ...

Deputy C.D. Leck:
Then you will be monitoring those, yes.

Chief Officer, Department for External Relations and Financial Services:
We are monitoring, yes. The way that we are doing that we have a programme board which I chair, that has all the partners around the table. That is an opportunity to track delivery, to challenge, to deal with any issues or blockers that we can collectively address. Then the reporting feeds up to Ministerial level through the E.G.G. (Economic Growth Group), which interested Ministers, including the Minister for External Relations and financial services, sits on.

The Minister for External Relations:
Do we need to add anything?

Deputy Comptroller, Revenue Jersey:
No, I do not think so, thank you.

Deputy S.J. Gleave:
Just picking up on that point about the communication, is there any allocation of budget or, again, will that be managed from existing sources within Government for that communication?

Chief Officer, Department for External Relations and Financial Services:
Comms is a programme overall and that is a very good question. Because I think for a programme this size you need a fairly weighty comms function; I think it is fair to say I think we are working on that still. Government comms absolutely supporting us on this. But of course, as we have said, it is a multi-partner delivery piece and you have got multiple stakeholders that require different messaging that we are trying to engage with. It is honest to say that it is a work in progress to try and get that right and I do not think we have perhaps done as much communication as we could have done on the amount that has been undertaken so far. We are working on that.

Deputy C.D. Leck:
In terms of reducing costs of doing business, is that going to involve you also dealing with other departments in terms of, I suppose, new businesses' interaction with Government ...

Chief Officer, Department for External Relations and Financial Services:

Yes.

Deputy C.D. Leck:

... and the bureaucracy that is sometimes involved in easing regulations, other than your financial ones?

The Minister for External Relations:

Yes. I have always felt that I need to quite careful not to step on the toes of other departments. For me, reducing the cost of doing business has got to be focused on F.S. and that legislative base, the cost of the fees and the processes that are required. Firstly, I do not have the responsibility under the law, so I cannot make those decisions on behalf of other Ministers. But I recognise sometimes other Ministers are in quite a tight spot about how they manage their fees and charges.

Deputy C.D. Leck:

Okay, thank you.

The Connétable of St. Mary:

Okay. Good afternoon, Minister and team. A change of subject slightly, the budget proposes introducing tax warehouses for certain investment assets. What benefits do you expect this measure to deliver for Jersey's financial services sector?

The Minister for External Relations:

Of course tax warehousing is a proposal coming on behalf of the Minister for Treasury and Resources. I think he has answered written questions on this matter. As you know, the principle of tax warehousing is that you can treat assets in a slightly different way so they are not liable to all taxes and customs duties. I very much support his endeavour in this area. I think he is focusing initially on bullion or precious metals, where it is fair to say because of our tax regime it is unattractive to hold and store those in Jersey's bonded warehouses. This measure, if it is agreed in the budget, which it has my full support, will mean that we put ourselves on a level playing field and those Islanders and institutions that want to hold these precious metals can do so in Jersey and that will be of wider benefit.

The Connétable of St. Mary:

Yes, noting the Minister for Treasury and Resources' influence, it will affect the financial services sector in the sense that presumably non-residents will view trust company services here to incorporate in.

The Minister for External Relations:

That is right, yes. Yes, that is exactly right.

The Connétable of St. Mary:
That is the main advantage from your perspective.

The Minister for External Relations:
From my perspective it is, yes. I think you could say there is 2 advantages, you have got Islanders who have got these assets and they have to hold them elsewhere because of the disadvantage of holding them in Jersey. Generally speaking, they will hold them through a Jersey structure. That Jersey structure gives business here in Jersey, as you have just articulated, but it also is a wider selling point for existing trust and company service providers to their global client network that says, no, Jersey is a good place to hold these assets. Because you then will have tax neutrality with other jurisdictions but you are articulating into that core message about safety, stability and security. I think that while there might be a more of a domestic focus initially, I think the international focus is also one that can be beneficial.

The Connétable of St. Mary:
Going back to international focus, you are saying there are jurisdictions out there which offers what will be a similar service then.

The Minister for External Relations:
There are jurisdictions out there which currently offer a service which is more cost beneficial to individuals who hold these assets. This proposal is basically levelling the playing field.

The Connétable of St. Mary:
Okay.

The Minister for External Relations:
Why would somebody who uses Jersey for all their asset-holding but have to use somewhere else to hold these sorts of assets? We want them to be using Jersey for everything.

The Connétable of St. Mary:
Okay. Obviously from what you say there is obviously no income stream on this at all, apart from the fees to this ...

The Minister for External Relations:
Other than how we get our core income stream, which is through managing people's assets in a tax neutral way using the Jersey platform. That creates work and profit for Jersey trust and company

service providers, for Jersey custody holders, in this case the bonded warehousing holders and it creates employment.

The Connétable of St. Mary:

The final question on this particular point is, do you see that as, in a way, jeopardising our international reputation?

The Minister for External Relations:

No, not at all. I think it will enhance it. I do not know, Cora is the tax person, so I should ...

Deputy Comptroller, Revenue Jersey:

Yes. Just to clarify, it is quite a common practice to have what is called warehouses. They are not necessarily warehouses; they might be smaller vaults or safes for storing these kinds of precious goods. They are in other wealth management jurisdictions like Singapore or Switzerland. You can do it in the U.K.; you can do it in Guernsey. One of the slight barriers we had was the G.S.T. (Goods and Services Tax) charge that was applied. With this proposal if they are stored under a licence that would be issued by the Agent of the Impôts, then it would be G.S.T. and duty-free in suspension until it was brought into domestic use. It is levelling the playing field, as the Minister says, and it is not out of line with what other jurisdictions do.

The Connétable of St. Mary:

Okay, thanks for that. Moving on, the budget also proposes reducing International Services Entity fees from, I think, £4,700 to £950. Again, what is the rationale for this change and how will you measure success in terms of either increased entities being registered or forecast reductions not arising?

The Minister for External Relations:

This was following feedback from particularly the funds industry. It is coming back to the point about reducing costs. Largely it is around managed managers and the fact that the industry felt that it was having such a level of I.S.E. (International Services Entity) fee for those managed managers was, in effect, taxing them twice. Again, it is trying to level the playing field and reduce duplication. Again, Cora, I do not know if you want to say anything else.

Deputy Comptroller, Revenue Jersey:

Yes, it is part of a process. One of Revenue Jersey's actions is to look at I.S.E. fees under Time to Win. Stakeholders told us this was the most urgent change that they wanted us to look at but it is not the end of the process. We will continue to see, are there other ways that we can realign them

or make the fees? If there are any competitive problems with the levels of the fees on any particular entities, we are still looking at it.

The Connétable of St. Mary:
Again, that competitive element at the moment you think it is we are anti-competitive with the £4,700, is that the point?

Deputy Comptroller, Revenue Jersey:
Yes. It does not apply to a huge number of entities but it just jumped out to everybody as being in excess of what it should be. We have taken action to deal with it.

The Connétable of St. Mary:
Fine, thank you.

The Minister for External Relations:
It is that balance of getting things done quickly. Here is an easy one that we can get done quickly.

Deputy Comptroller, Revenue Jersey:
Yes, that is right.

The Minister for External Relations:
While we then undertake more work to look at the wider range.

Deputy Comptroller, Revenue Jersey:
Yes, exactly.

The Connétable of St. Mary:
A further change in the budget is the proposal to increase the day de minimis reporting threshold for Jersey resident shareholders and extending what I think is called the RegTech Super-Deduction. Again, how do these measures support competitiveness, et cetera?

The Minister for External Relations:
Cut out the middle man.

Deputy Comptroller, Revenue Jersey:
Increasing the reporting threshold, that really goes back to the cost of doing business and tax compliance cost. This is an information reporting requirement that currently applies when you are submitting your tax return. We feel that we can raise the threshold of it so that it is less onerous on

people. We have raised it to 5 per cent, holding instead at 2 per cent. The RegTech Super-Deduction is extending a deduction that is already available under the Income Tax Law to non-Pillar Two groups into Pillar Two groups, so making sure that they can enjoy the benefit of it as well.

The Connétable of St. Mary:
Again, all to do with competitiveness.

Deputy Comptroller, Revenue Jersey:
Yes, completely, yes.

The Connétable of St. Mary:
At the last quarterly hearing, the impact of artificial intelligence and other emerging technologies was discussed in the context of international competitiveness. C.S.P. priority 2 specifically references responding to the effects of A.I. (artificial intelligence) on Jersey's economy. Leading on from that, what specific measures are you able to point to while delivering this policy?

The Minister for External Relations:
There are a number of streams and as we have been developing these streams we have been having real-life conversations about thinking, how do we co-ordinate the streams that are really happening across Government? We know that Skills Jersey has got a stream looking at impact of A.I. We know that the Economic Advisor is doing a piece of work looking at A.I. across the economy. We have got Digital Jersey's A.I. Council. We have asked Digital Jersey to think about the skills element of A.I. that we can support through Time to Win, in our case across financial services. I suppose the priority for us is really at this point and as quickly as we possibly can to understand, what is it that industry would like Government to support them with? Because we know that A.I. has become almost an ethereal, we are either worried because it is going to create the end of the world or we are ignoring it. Both of those are a real problem for us. I stand ready as Government to support industry in a way that is going to be meaningful. We had a great conversation with somebody in the first meeting this morning whereby they are looking at the first thing you need to do if you are going to really properly use A.I. is look at your process maps. It is quite an old-fashioned thing. You have got to drill into the weeds, what are your processes? Then get the A.I. technology that is going to help you digitise those processes. It will not necessarily be just one, it might be more than one and you might have to interconnect them. But it is encouraging firms to have those initial thought processes about what their processes are and then how A.I. can enable them to digitally transform those processes. We do not yet have an answer in Government properly about how we can support industry to do that. We are trying to do that as quickly as possible and then, again, the resource we have got will be put into doing that. Because I have known for a long time and said

and it is part of Time to Win, unless we absolutely have to lean into it because it is going to transform our fund administration section, is going to transform wider parts of the economy as well and so ...

The Connétable of St. Mary:
Okay, thank you. Yes, enough, thank you. Noting the work you are doing through the various departments, might you in due course use Time to Win budget to fund courses?

The Minister for External Relations:
Yes. At one point we thought we might already have rolled out some courses with Time to Win money. But it became apparent that the first question is to industry, what can we do to help you with your A.I. journey? Not we are going to tell you what you should do and this is a course that we think will be useful. We have started that. We have just had a proposal back, was it yesterday or today?

Deputy Comptroller, Revenue Jersey:
Yes, over the last couple of days, yes.

The Minister for External Relations:
Last couple of days, so we will look at that. But we also are talking with industry members who are doing all sorts of A.I. training engagement elsewhere. J.F.L. themselves ran a seminar where they had 450 people from across industry coming in and starting to think about this. It is how can we add value to that?

The Connétable of St. Mary:
Yes, and time to when there will be finance through education presumably.

The Minister for External Relations:
Absolutely, it is core. The digitisation and A.I. is absolutely core. I know Time to Win does not necessarily mention it so many times and I know, Chair, you challenged me. I do not know if it was at the last hearing or one of the one-to-ones we hold about focusing more on A.I. in the C.S.P.

Deputy S.J. Gleave:
Yes.

The Minister for External Relations:
It is a bit more prominent than it was initially. But that is absolutely right, it is and it should be.

The Connétable of St. Mary:
Chair, back to you I think.

Deputy S.J. Gleave:

Yes. Just moving on to Pillar Two and before we talk about the revenues for that, just looking at the impact on the industry, both positive and negative and where you see what value you see that bringing to the Island.

The Minister for External Relations:

Yes. We go back to our strategy in taking part in all the conversation with the O.E.C.D. (Organisation for Economic Co-operation and Development) and implementing Pillar Two, oddly enough as it looks now, was not to raise revenue but to be part of the international consensus and that is what we have been seeking to do all the way through this. Which is also why we have been really cautious about amounts that we might get. Because we knew that if you have got a global approach to something, then some firms are going to restructure and think about where they do certain functions; that is not a surprise to us. What we sought to do was try to maintain Jersey's competitiveness through how we implemented it and trying to support those firms who were, ultimately, disadvantaged through it. That is an ongoing conversation, the O.E.C.D. are meeting still this week, Cora, I think.

Deputy Comptroller, Revenue Jersey:

Yes.

The Minister for External Relations:

They get to knotty issues and then they put it off again. We continue to engage in that regard. We know that some companies are disadvantaged. We know, therefore, that some have moved certain functions elsewhere. We have sought all through this process to seek to mitigate that as much as we possibly can, have we not?

Deputy S.J. Gleave:

Okay. In terms of the revenues that you will be getting from that and I know you have said that that was not your primary aim of it. Obviously, that has been, at least in the short term, a positive gain from that. How long do you think that we will see that? You have talked about it being a 2026 gain, potentially a 2027 gain. Could that go into 2028 as well, realistically?

The Minister for External Relations:

As we have said, the side-by-side change, in effect, upended everything, that is why these conversations have been so intense post that. We do not yet know where they will land. Those conversations will, I suspect, ultimately lead to us needing to make some refinements. We will do that as necessary in our best interest, as we have done all along. I am now more optimistic that we

will have upside in 2027 and I have got to be really careful how I word it because it is still uncertain; let us put it like that. The further out you get the more uncertain it is.

Deputy S.J. Gleave:
Okay.

The Minister for External Relations:
Will there be a little bit of upside in 2028? We hope there will be but it is very uncertain. Cora, I do not know if you want to ...

Deputy Comptroller, Revenue Jersey:
Just really to say that we are not unique in having this uncertainty. Many, many jurisdictions have already had to revise down some of their forecasts. Some jurisdictions went earlier than we did. We went in 2025 and some went in 2024. There is a lot of moving around of business. But we are very comfortable with the numbers that we have put out. It is a balance between trying to give as much information as we can about what we think is solid and based on what we have received so far but without trying to overinflate it or underinflate it. We are just trying to be very straight about that, based on the receipts that are coming in gradually because it is a rolling process.

Deputy S.J. Gleave:
Okay. Obviously, the upside has been greater than our conservative estimates in 2026.

Deputy Comptroller, Revenue Jersey:
Yes.

Deputy S.J. Gleave:
How supportive are you of that going to pay down the hospital debt, rather than to say have a proportion of it to support your aims of growing the economy from the financial services and, potentially, Deputy Voisin's department as well?

The Minister for External Relations:
It has always been a balance. I have always felt that because it was always going to be a windfall, that means it is, in effect, one-off. We have to deal with it very carefully. But I have made the case from day one, which is really back to your point, Deputy, about what was the science behind the £31 million? There was not one, other than a great deal of political wrangling. I have always felt that it should be reserves and you can argue the reserves point about the hospital because you have to borrow less if you are spending it on the hospital. It maintains your reserve position, rather than using reserves, so that is positive, to make sure that we remain competitive. Because I think, as we

have just acknowledged, a global tax rate for in-scope companies means that one of our core competitive advantages, which is around tax neutrality, for certain firms, it erodes it. Therefore, we have got to think about how we regain that competitiveness, which was the argument we made together as a team in the first instance around why we got the £31 million. You could always make that argument to take more of the upside for economic development. Probably not very much but that would be an argument that could be made. But it would be thrashed out either round the Council of Ministers' table and, I guess, more broadly in the States Assembly.

Deputy S.J. Gleave:
My question is, has it been made?

The Minister for External Relations:
The current budget is clear but I think, as I said earlier, there were no growth bids in the budget process, other than those high-risk areas. I do not recall that during that process we have revisited that conversation.

Deputy S.J. Gleave:
Okay. Will you revisit it for the 3-year budget, given that you have just indicated that 2027 could be an upside?

The Minister for External Relations:
You make a very good point and I think it should be revisited for the 2028 Budget because we are also going to have to think really hard about the overall revenue budget. I am straying totally off my responsibility now. We will also have to think really carefully about how we manage everyday spend in line with the income that is coming in and get that better sequenced or more in kilter with the spending and what the income is.

Deputy S.J. Gleave:
Okay, all right. Okay. How do you feel the budget, as it currently is, strengthens Jersey's international relationships, global reputation and economic influence? Which jurisdictions or markets will be priorities during 2027?

[16:00]

The Minister for External Relations:
It is a good question but I am not sure that we really think about budgets in such strategic ... budgets, as we know with any organisation and any Government, there are lots of competing pressures and all of them sound good until you realise you have got to make a choice between them. I think the

budget that, hopefully, the States will approve next month and if we get the budget that we have proposed to the Assembly, then I think we can be confident that we can do those things which will deliver what you have just asked about. The challenge will be maintaining that throughout 2028, 2029 and 2030 when we get to that 3-year budget process. Because our growth markets continue to be the Middle East, the Far East and the U.S.A. (United States of America).

Deputy S.J. Gleave:
Okay, okay. Back to you, David.

The Connétable of St. Mary:
Yes. Departmental expenditure, et cetera, the service analysis includes external relations, financial services and the F.I.U. (Financial Intelligence Unit), how have resources been allocated as between these areas and for what particular reason, if you are able to expand on that?

The Minister for External Relations:
Reality is that they are just historic because we have only this year brought together those departments. I do not think you have reallocated any budget between at this point in time. Those individual budgets are brought together to make the overall budget. What that will mean is that there can be flexibility, ultimately, moving forward in 2027 around those individual operating expense lines under foreseeable budget.

The Connétable of St. Mary:
Okay. Turning to F.I.U. in particular, are you satisfied that that has sufficient resources for its work?

The Minister for External Relations:
It certainly had a challenge with recruitment over the last 12 months, maybe slightly longer. We have a new director of the F.I.U. starting in the new year. Have you announced that publicly?

Chief Officer, Department for External Relations and Financial Services:
We can do, I have let stakeholders know. Yes.

The Minister for External Relations:
Okay, yes. We have got that new person starting at the beginning of the year and he is here today as well. One of his tasks will be to try and fill some of those vacancies in the F.I.U. Because their workload will increase and it will increase because of what we are doing to grow the financial and business services part of the economy. As that grows there will be more S.A.R.s (Suspicious Activity Reports), as we grow tokenised structures, as we grow DeFi structures, all of that stuff will mean that bad actors who are trying to use this technology for things that we do not agree with, which will

mean that they will put a bit more pressure on the F.I.U. Earlier this week we were having a conversation with the authorities about how they need to be upskilled, whether it is the police or it is the F.I.U. or it is the Commission, to be able to understand and have the skills to manage these things appropriately.

The Connétable of St. Mary:
You answered my next question, part of it also raised other ones. The question originally was, is the current headcount sufficient to meet financial crime money, develop obligations and is the Government's headcount freeze in catching recruitment? You already said it is obviously not but could you again elaborate?

The Minister for External Relations:
This is where we get confused, is it not? Headcount is - and just correct me if I am wrong here - the amount of people you theoretically can employ in your department and that you theoretically have the money for. It does not mean to say you have got those people sitting in seats. The F.I.U.'s challenge has been that they have had the money allocated in the budget but for all sorts of reasons people have left and they have not been able to re-recruit. They will be able to recruit into those vacant posts within their budget.

The Connétable of St. Mary:
Okay. Again, back to your earlier point, you are already recruiting to meet the anticipated needs.

The Minister for External Relations:
Yes.

The Connétable of St. Mary:
Okay, thanks. In your confidential letter dated 16th November you identify financial commitment to I.T. (information technology) licences within the F.I.U. Are you comfortable with the level of expenditure and the outcomes they provide?

The Minister for External Relations:
Am I what, sorry?

The Connétable of St. Mary:
Comfortable with the level of expenditure incurred in that. Have I understood correctly?

The Minister for External Relations:

Yes. I am just trying to find it in the letter but as far as I am aware I am comfortable with it, unless you are going to tell me I should be uncomfortable.

Deputy S.J. Gleave:
No. Am I okay just to jump in for a second?

The Connétable of St. Mary:
Please, do.

Deputy S.J. Gleave:
Just going back to the headcount versus full-time employees, the F.T.E.. (full-time equivalent). What has happened with that? Clearly there has been an underspend. Is that part of the savings that has been identified in the headcount reduction that has been identified within the budget overall or is that being rolled over to be able to attract employees in the future? Why has it been so difficult to recruit to this department?

Chief Officer, Department for External Relations and Financial Services:
As a department, we have only recently taken responsibility for the F.I.U.

Deputy S.J. Gleave:
Okay.

Chief Officer, Department for External Relations and Financial Services:
It is a bit difficult to answer that any further I think. That has been a recruitment freeze in Government and that has impacted on the ability to be able to recruit into certain areas. It was important that we looked at the structure of the F.I.U. in terms of headcount and skills and requirement. Company staff have just been through a consultation to look at the target operating model and the outcome of that was only delivered last week and that sets out basically the new organogram. Within that we have got a number of staff already in place but also quite contingent and still we need to start recruiting in as a matter of urgency. I am hopeful that we will start to do that this month but we are running out of road.

Deputy S.J. Gleave:
Okay.

Chief Officer, Department for External Relations and Financial Services:
But it is very difficult for me to answer that because it is a bit of an historical thing. What I would say is I think we are getting to a point we are in a much better place. We have got an incoming director.

We have got clarity on the headcount that we need. We have got clarity on the roles that we want to recruit into; that is going to kick off very soon. I have looked at the budget as well and I am content that we have got the budget we need as operate the F.I.U., which includes the I.T. component as well. It has taken a little bit of time but we are moving to a place where I think the team will be much more comfortable and able to achieve the outcomes we need it to achieve.

Deputy S.J. Gleave:
Okay. What has happened to that underspend because you have not had full-time employees in?

Chief Officer, Department for External Relations and Financial Services:
Any underspend will end up going back to the Treasurer at the end of the year.

Deputy S.J. Gleave:
Okay, okay.

The Connétable of St. Mary:
Sorry, before ...

The Minister for External Relations:
I was just going to say that of course with the F.I.U., if you remember what the structure was going to be when the Government decided that creating arm's length bodies being out and all of that was not the right thing to do. We had to change direction in how the F.I.U. was structured. In all of that I think it got bogged down basically. You put that together with recruitment freeze and it all got bogged down and we just started to come out of the end of that, as Kate has just described.

The Connétable of St. Mary:
Okay, thanks for that. You may have already answered this, my question about sanctions which have also been topical in recent years, my question here is how many people are employed in this area? But you may well advise there is no one allocated to sanctions in particular.

The Minister for External Relations:
Yes, there are. Yes, I can answer that question, I am just careful about when I get to those bits of the department when there is only one or 2. But there are 5 people in sanctions. Yes.

The Connétable of St. Mary:
Okay. That has been constant for some time I take it.

The Minister for External Relations:

It has fluctuated a little bit, yes.

Chief Officer, Department for External Relations and Financial Services:
It has fluctuated. We have needed some additional resource for obvious reasons. I think we are just about getting to a point where we are comfortable with the headcount. It is sufficient to meet the needs, our jurisdictional needs.

The Connétable of St. Mary:
Okay, thank you. Moving on, again, generally it could be said that progression of the Island's efforts to build international agreements are key for progression of the Island's economy. In that connection I note your photograph in today's *J.E.P. (Jersey Evening Post)*, Minister, in Doha.

The Minister for External Relations:
Today?

The Connétable of St. Mary:
Yesterday's *J.E.P.*, yes. You obviously have not been told.

The Minister for External Relations:
Sorry they had to look at that; I would not wish that on anyone.

The Connétable of St. Mary:
More generally, are you happy that sufficient funding exists over the course of the budgets to ensure success in areas such as trade and other agreements?

The Minister for External Relations:
Yes, I think we are, yes. As you know, the focus has really been over the last months both the international treaties, which, as I say, we will be lodging for a debate in December, the latest E.T.A. (estimated time of arrival), making sure that we have got entrustments for the future agreements that we want to put in place on the international treaty side. On the more domestic side has been the E.U.E. (European Union Entry) set which are going, there will be announcements later this week about that, which is positive news for Jersey. I think we have got sufficient resource to continue both of those.

The Connétable of St. Mary:
Thank you. I have 3 questions here now; the budget identifies £415,000 of income from external relations operations. Can you elaborate on the source of that income, please?

The Minister for External Relations:

All things to do with the D.C.A. (Director for Civil Aviation) is always a little bit confusing. But basically money comes in from the aerodrome licence fees and a little bit from something called foreign carrier permits. That is money coming in and we use that money to pay for the D.C.A.

The Connétable of St. Mary:

Okay. Do you anticipate that being constant or is there scope for increasing more, perhaps it is de minimis?

The Minister for External Relations:

I think it is largely constant, is it not?

Chief Officer, Department for External Relations and Financial Services:

It is constant. Ports of Jersey who pay for the aerodrome licence fee essentially fund the D.C.A. because you need the office of the D.C.A. to have an airport. There is no excess generated, it literally pays for the D.C.A. and the staff that are needed to operate that function. The D.C.A. is also split with Guernsey as well, so we have a joint Channel Islands D.C.A., which is helpful towards the funding of the office.

The Connétable of St. Mary:

Okay. You already answered our next question which was, are there any significant changes anticipated in staffing assumptions over the budget period and you are saying on the Intelligence Unit, yes, but otherwise no, is that right?

The Minister for External Relations:

That is correct, yes.

The Connétable of St. Mary:

I am almost at the end, Minister, you will be pleased to know. You identify in your letter the priority work programme for Department for External Relations are set out within the department's business plan. Can you outline the key priorities that you are drawing forward during 2027 and how these align with the proposed budget?

The Minister for External Relations:

Yes, they are the ones in the letter, which I think I outlined in the letter on 5th November, we have got those 5 priorities. They are the 5, are there not? Yes.

Chief Officer, Department for External Relations and Financial Services:

Yes.

The Connétable of St. Mary:

Okay, I will leave that there. In that letter you are giving a breakdown of grants allocations of 27 Enterprise Limited analysis within the common section of table. Budget comments only deal with £1.227 million of the £3.586 million. Can you provide a further breakdown of the balance?

The Minister for External Relations:

Yes, I think we did that, did we, in response to the Chair? You wrote to me, did you not? I replied on the 16th.

The Connétable of St. Mary:

Sorry, my apologies, we have that now, I will leave that there now. Okay, we have the information, I withdraw the question.

The Minister for External Relations:

No, it is okay.

Deputy S.J. Gleave:

It is okay. I do not think we have seen that yet, Peter. Yes, okay. I have had a nod from the officer that we have had it in.

The Minister for External Relations:

Yes, sorry. Yes, that was ...

The Connétable of St. Mary:

The next question on the same basis, so I think ...

Deputy S.J. Gleave:

Yes, yes, that is fine.

Deputy G.A. Raimondo:

Okay, right, saving the best until last.

Deputy S.J. Gleave:

Okay, over to Gabriel. Saving the best until last.

Deputy G.A. Raimondo:

I have got a few small ones. The budgets included savings of £207,000 within your remit in 2027. It includes £100,000 relating to just roles. Could you just explain how some of those savings are going to be delivered?

The Minister for External Relations:
Yes, they will just be basically managed within the budget.

Chief Officer, Department for External Relations and Financial Services:
Yes, mainly through vacancy management but primarily through vacancy management.

[16:15]

Because in previous year we have reduced the budgets in other areas where we had a bit more discretion, for example, travel, some of our subscriptions. We just look at how we manage the headcount during the year in order to get to that figure. I am comfortable we will be able to do that in 2027.

Deputy G.A. Raimondo:
Generally just reductions in headcounts.

Chief Officer, Department for External Relations and Financial Services:
It is not reductions per se, it is more about, for example, if you were to have a resignation you might wait a little bit longer. It takes a long time to recruit anyway. It is not often that you have a resignation and you have someone starting on the next day. You will have a bit of a gap that generates a saving over the course of the year. We will manage to get to that figure I am sure.

The Minister for External Relations:
Basically we will have, I say, conversation, it is not always conversation like, is it? Where I might say, do we really need to replace that person?

Chief Officer, Department for External Relations and Financial Services:
Yes.

The Minister for External Relations:
Could we deliver the service in a slightly different way?

Chief Officer, Department for External Relations and Financial Services:
In a different way.

Deputy S.J. Gleave: I was just about to point out on that.

The Minister for External Relations:
We are constantly doing that.

Deputy S.J. Gleave:
Yes, because otherwise if you are just delaying, that is not then an ongoing saving, it is just for a few months saving.

The Minister for External Relations:
Yes.

Chief Officer, Department for External Relations and Financial Services:
Yes. You are absolutely right, Minister. We all do constantly look at how we are delivering throughout the year, whether things can be done in a different way. Yes. But, as I said, it is difficult to pin it down now for 2027 because what I am not saying is that we will lose one post or 2 posts or anything of that nature. We have got a big programme to deliver. One of the most important, I think, as part of the C.S.P. I think it is important that we find other ways to meet the target.

Deputy G.A. Raimondo:
I guess it is worth asking then, to meet the savings do you think any redundancies are going to be required?

The Minister for External Relations:
No.

Chief Officer, Department for External Relations and Financial Services:
No, not at this point.

Deputy G.A. Raimondo:
Okay. Yes, what assessment at the moment is being undertaken regarding the impact of the savings on the service delivery and the achievement of the Ministerial objectives?

The Minister for External Relations:
I come from the school of thought that whatever department or business you are running you should be able to try and deliver it more efficiently year on year. I am pleased and grateful I suppose that I am supported by officials that, broadly speaking, concur with that but they will tell me if there is risks

that I am going to be encountering in doing that. Then I let them just get on with delivering those savings. I think that is what Islanders would expect and that is what we should be doing. Rather than this level of saving on our budget some might think it is not that large, it is not that large. We should be playing our part.

Deputy G.A. Raimondo:
You do not think it will have an impact on the service delivery at all.

The Minister for External Relations:
I think we will deliver the same services but I think we will deliver it more efficiently.

Deputy G.A. Raimondo:
Okay. I guess the last question will be, do you think there is going to be any additional efficiencies or savings that you have not predicted in the 2027 Budget?

The Minister for External Relations:
You are looking at me as if you have got some ...

Deputy Comptroller, Revenue Jersey:
No, I hope not.

The Minister for External Relations:
I do not think there will be. I do not think there will be any in 2027. I think, as I intimated earlier, the big challenge is, what efficiency savings are going to be delivered that need to be delivered in the 3-year budget?

Deputy S.J. Gleave:
Okay. Does anyone have any other questions they would like to ask? Okay. Minister, do you have any other information that you would like to impart with us at some point in time?

The Minister for External Relations:
No, thank you. Thank you.

Deputy C.J. Rebindaine:
Any trade secrets?

Deputy S.J. Gleave:

Any trade secrets? Exactly. Thank you very much and thank you very much for you all coming along this afternoon.

The Minister for External Relations:
Thank you. Thank you.

Deputy S.J. Gleave:
Okay, we are ...

[16:19]